

YOUR BENEFITS | YOUR FUTURE

What you need to know about your CalPERS

## State Safety Benefits





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## INTRODUCTION

Retirement can be one of the best stages in your life. It can also be complicated and at times stressful, if you are not educated about your benefits and have not done the proper planning. Understanding the fundamentals of your CalPERS retirement benefits is a good first step toward a happy and fruitful retirement.

This booklet describes retirement benefits and formulas for State Safety members. “State Safety” members are individuals employed by the State who are involved in law enforcement, fire suppression, the protection of public safety, or who are employed in a position designated by law as “State Safety.”

Featured throughout this book are State Safety members from the California Department of Forestry, California Highway Patrol, California Youth Authority, and California Department of Corrections. Like them, you deserve to understand the full spectrum of retirement and death benefits owed to you and your beneficiary(ies). This book will help educate you about your retirement formulas and benefits. It will also provide you information on contributions, health benefits, and other programs you should consider before and after retirement. It will help you to choose the best retirement plan for you and your beneficiary(ies).

*While reading this material, remember that we are governed by the Public Employees’ Retirement Law. The statements in this guide are general. The Retirement Law is complex and subject to change. If there is a conflict between the law and this booklet, any decisions will be based on the law and not this guide.*

## YOUR RETIREMENT BENEFITS

There are three types of retirement benefits:

- Service Retirement or “Normal” Retirement
- Disability Retirement
- Industrial Disability Retirement

### Service Retirement or “Normal” Retirement

To be eligible for service retirement, you must be at least age 50 and have a minimum of five years of CalPERS-credited service. There are some exceptions to the five-year requirement. If you are 50 or older, you are employed on a part-time basis, and you have worked at least five years, contact CalPERS to find out if an exception will apply to you.

If you are considering applying for service retirement, you should obtain the CalPERS publication *Stepping Into Retirement, Your Service Retirement Application*.

### Disability Retirement

This type of retirement applies to you if you become disabled and can no longer perform the duties of your job. You may also be required to show you cannot perform the usual duties of your job with other CalPERS-covered employers. Disability retirement has no minimum age requirement, and does not have to be job related. However, you must have a minimum of five years of CalPERS service credit, or worked part-time for at least five years. If you are employed on a part-time basis and you have worked at least five years, contact CalPERS to find out if an exception may apply to you.

### Industrial Disability Retirement

This type of retirement applies to you if you become disabled from a job-related injury or illness and can no longer perform the duties of your job. You may also be required to show you cannot perform the usual duties of your job with other CalPERS-covered employers. Industrial disability retirement has no minimum age or service credit requirement.

**You may apply for a disability or industrial disability retirement if:**

- You are working for a CalPERS-covered employer; or
- You are within four months of separation from a CalPERS-covered employer; or
- You separated at any time from your CalPERS-covered employer because of a disability and you have remained disabled since then; or
- You are on military or approved leave.

Once a complete application package is received from either you or someone on your behalf, such as your employer, CalPERS will review your file to see if the information is current and complete. After verification for completeness, CalPERS can normally make a determination after three months.

### Emergency Retirement

CalPERS will expedite retirement processing for you if you are terminally ill or facing imminent death. Contact CalPERS or your employer immediately if there is a need for emergency retirement.

If you are considering applying for disability retirement, you should obtain the CalPERS publication *A Guide to Completing Your CalPERS Disability Retirement Election Application*.

### Health Vesting

Consult your agency personnel office or call CalPERS to determine if additional service credit applies to health vesting requirements.

### How Your Retirement is Funded

Three sources fund a defined benefit retirement plan like CalPERS. First, employees generally make contributions into the System. The percentage of your contribution is fixed by statute and varies from about 5 to about 9 percent of your earnings, depending on the plan type and whether you are covered by Social Security. The second source of funding is earnings from the investment of System assets in stocks, bonds, real estate, and other investment vehicles. The amount contributed from this source fluctuates from year to year. The balance of the funding is provided by employer contributions. Employer contributions decline when investment returns rise and increase when investment returns decline.

In a defined benefit retirement plan, a retiree will receive a benefit determined by a set formula. For State members, CalPERS uses the individual's years of service, age at retirement, and highest one-year compensation while employed. This contrasts with a defined contribution plan, in which the benefits are determined not by a formula, but solely by the amount of contributions to an account, plus earnings.

### How Your Retirement Benefit is Calculated

Now that you understand the basic building blocks of a defined benefit retirement plan, it's time to learn how to calculate your retirement benefit. Three factors are used to calculate your service retirement:

- Service Credit
- Benefit Factor
- Final Compensation

#### Service Credit

You earn service credit for each year or partial year you work for the State or a CalPERS-covered employer. Service credit accumulates on a fiscal year basis, July 1 through June 30, and is one of the factors used to calculate your future retirement benefits. Refer to your CalPERS Annual Member Statement to verify your service credit total as of June 30.

In some cases, you may be eligible for other types of service credit that can help you maximize your retirement benefits. Other types of service include:

- Unused sick leave at retirement;
- Redeposit of contributions you withdrew from CalPERS;
- Service with a CalPERS-covered employer prior to your date of membership;
- Service with a public agency prior to the date of that agency's contract with CalPERS;

- Certain types of leaves of absence, public service employment, military service; or
- Additional Retirement Service Credit.

For more information about service credit, obtain the CalPERS publication *A Guide to Your CalPERS Service Credit Purchase Options*.

### Benefit Factor

Your benefit factor is the percentage of pay to which you are entitled for each year of service. It is determined by your age at retirement and the retirement formula for your classification. This guide explains the following State Safety retirement formulas:

$2^{\text{percent}}_{@50}$      $2^{\text{percent}}_{@55}$      $2.5^{\text{percent}}_{@55}$      $2.5^{\text{percent}}_{@55}$      $3^{\text{percent}}_{@50}$      $3^{\text{percent}}_{@55}$   
State Safety    Peace Officers    Firefighters

### Limitations

The percentage of pay to which you are entitled is limited. Limits are as follows for each benefit formula:

$2^{\text{percent}}_{@50}$  percentage of pay to which you are entitled cannot exceed 90 percent of your final compensation.

$2^{\text{percent}}_{@55}$  percentage of pay to which you are entitled cannot exceed 80 percent of your final compensation.\*

$2.5^{\text{percent}}_{@55}$  percentage of pay to which you are entitled cannot exceed 80 percent of your final compensation.\*

$2.5^{\text{percent}}_{@55}$  percentage of pay to which you are entitled cannot exceed 90 percent of your final compensation.\*

$3^{\text{percent}}_{@50}$  percentage of pay to which you are entitled cannot exceed 90 percent of your final compensation.

$3^{\text{percent}}_{@55}$  percentage of pay to which you are entitled cannot exceed 90 percent of your final compensation.

Refer to your CalPERS Annual Member Statement to verify your retirement formula. If you have safety service with multiple employers and under different safety formulas, there could be more than one maximum benefit cap applied to your retirement allowance. Contact CalPERS for more information.

### Final Compensation Limits

The Public Employees' Retirement Law limits the percentage of final compensation a safety member may receive. If you have service under different safety formulas, the service under the different formulas might not combine towards the limit. Additionally, service in a miscellaneous retirement formula is not applied against the limit.

\* If you have service under both the 2% @ 55 formula and the 2.5% @ 55 formula (State or Local Safety), the percentage under the two formulas combined cannot exceed 90 percent of final compensation.

## Pay Rate

Pay Rate is your base pay,  
paid on a full-time basis  
during normal working hours.

## Understanding Your Retirement Formula

Starting on page 24, we have provided two charts for each of the State safety retirement formulas. The first chart shows the benefit factor increases for each quarter year of age from 50 to 55, as well as showing the required years of service to reach your maximum percentage allowed by law. The second chart shows the percentage of final compensation you will receive.

## Final Compensation

Final compensation is your average full-time monthly **pay rate** and **special compensation** for the last consecutive 12 months of employment. We use your full-time pay rate, not your earnings. If you work part-time, we will use your full-time equivalent pay rate to determine your final compensation. If you think there was another period of 12 **consecutive months** during which your final compensation was higher, let us know when you apply for retirement. We will use that time period to determine your final compensation.

In accordance with Board regulations, certain items such as **special compensation** earned during your final compensation period will be included in your final compensation. Contact CalPERS if you are unsure which items of special compensation can be included.

## Estimating Your Retirement Allowance

You can receive an estimate of your service retirement by using the CalPERS Retirement Planning Calculator on our Web site, or have CalPERS calculate an Official Retirement Estimate for you. To request an Official Retirement Estimate, download the *Retirement Allowance Estimate Request* form online, or contact CalPERS to have one mailed to you.



## DECISIONS TO MAKE BEFORE YOU RETIRE

### Your Options at Retirement

At retirement, you can choose to receive the highest benefit payable, which is referred to as the “Unmodified Allowance.” The Unmodified Allowance provides a monthly benefit to you that ends upon your death.

You also have the choice of requesting a reduction in the Unmodified Allowance to provide a lump-sum or monthly benefit for a beneficiary upon your death. This section gives you an overview of various options available to you at retirement.

#### Option 1

This retirement option provides a lump-sum payment of your remaining member contributions to your beneficiary after your death. The reduction to your monthly benefit to provide this payment is based on your life expectancy at retirement and the amount of your contributions. You may name one or more beneficiaries, and you may name a new beneficiary at any time. If you name someone other than your spouse or registered domestic partner as your Option 1 beneficiary(ies), upon your death your spouse or domestic partner may still be entitled to a community property share of any remaining contributions.

*The following options, 2, 2W, 3, 3W, and 4, provide lifetime monthly benefits to your designated beneficiary. The reduction to your monthly benefit to provide a monthly allowance to your beneficiary is based on both your life expectancy at retirement and your beneficiary's - the younger your beneficiary; the greater the reduction. If you have someone eligible for Survivor Continuance, the reduction is applied only to the option portion of your allowance. (See page 8 for more about Survivor Continuance.) In most cases, you may name only one beneficiary, and your designation may not be changed after retirement except under limited circumstances.*

#### Option 2

Under Option 2, your beneficiary will continue to receive the same total monthly payment you receive after retirement. If your beneficiary predeceases you, your retirement allowance will increase to the Unmodified Allowance.

#### Option 2W

This option provides a slightly higher allowance for you and your beneficiary than Option 2, however, if your beneficiary predeceases you, you continue to receive the Option 2W amount rather than increasing to the Unmodified Allowance.

#### Option 3

If you choose Option 3, your beneficiary will receive a monthly allowance equal to one-half the amount of your retirement allowance. If your beneficiary predeceases you, your allowance will increase to the Unmodified Allowance.

#### Unmodified Allowance

The Unmodified Allowance is the highest amount payable and provides a monthly benefit to you that ends upon your death.

## Survivor Continuance

will apply only if you have an eligible family member as of the date of your death. To approximate the Survivor Continuance benefit, use the Retirement Planning Calculator or Request an Official Retirement Estimate.

## Impact of Social Security

If your service is not coordinated with Social Security, the Survivor Continuance will be one-half of your Unmodified Allowance. If your service is coordinated with Social Security, the Survivor Continuance will be one-quarter of your Unmodified Allowance. If you have some time covered and some time not covered under Social Security, or if you have a combination of service under CalPERS with the State or a local public agency, special consideration must be given to figure the amount of your Survivor Continuance benefit.

## Option 3W

This option provides a slightly higher allowance for you and your beneficiary than Option 3, however if your beneficiary predeceases you, you continue to receive the Option 3W amount rather than increasing to the Unmodified Allowance.

## Option 4

Option 4 is a somewhat flexible option. There are several unique variations of Option 4, each specifically designed to mesh with various situations that might apply to you. If you are interested in choosing a lifetime option, you should familiarize yourself with these options by obtaining the CalPERS publication *Retirement Option 4*. The amount payable to your beneficiary under Option 4 cannot exceed the amount payable under Option 2W.

## Survivor Continuance

In selecting an option, you may want to consider whether your beneficiary is eligible for Survivor Continuance. This benefit consists of a monthly allowance that automatically continues to an eligible survivor following your death after retirement, regardless of the option you select.

## Who is Eligible?

- Your spouse, if you were married for at least one year before your retirement and remained married until the date of your death, will receive the Survivor Continuance benefit for life. (For disability retirement, you need only to have been married at retirement and remained married until the date of your death.)
- Your domestic partner, if you were legally registered at least one year prior to your retirement and continuously until your death, will receive the Survivor Continuance benefit for life. (For disability retirement, you need only to have been registered as domestic partners at retirement and remained registered until the date of your death.)
- If you do not have an eligible spouse or registered domestic partner, your natural or adopted children under age 18, who have never been married, will receive this monthly benefit until marriage or age 18. A child who was disabled and never married prior to age 18, and whose disability has continued without interruption will receive this benefit until the disability ends or until marriage.
- Qualifying financially dependent parents, if none of the above.

## PRE-RETIREMENT DEATH BENEFITS

As a CalPERS member, you are eligible for various pre-retirement death benefits depending on your membership category, retirement eligibility status, and other factors. The benefits range from a simple return of your contributions plus interest to an allowance payable to a spouse or domestic partner equal to what you would have received upon retirement. To be eligible for any type of monthly pre-retirement death benefit, your spouse or domestic partner must have been either married to you or legally registered before the occurrence of the injury or the onset of the illness that resulted in your death or for at least one year prior to your death.

Each member's death benefits can vary significantly depending on circumstances and data. Questions relating to specific situations should be addressed to CalPERS staff for a more accurate description of individual benefits.

Upon a member's pre-retirement death, the respective employer and surviving family member are encouraged to immediately contact CalPERS for assistance.

For your convenience, we have divided the pre-retirement section into two parts:

- Not Job-Related Death
- Job-Related Death

### Not Job-Related Death, Not Eligible to Retire

You must be at least age 50 and have a minimum of five years of CalPERS-credited service or have worked part-time for at least five years to be eligible to retire. If you pass away before you are eligible to retire, your beneficiary(ies) are entitled to the following benefits.

#### Group Term Life Insurance

This is a tax-free lump-sum benefit payable to the same beneficiary who will receive the Basic Death Benefit or the Alternate Death Benefit, if applicable. For members with less than 20 years of State service, the benefit is \$5,000, plus an amount equal to six months' pay (50 percent of your earnable pay for the 12 months just before your death). For members with 20 or more years of State service, the benefit is equal to \$5,000.

..... and .....

### Eligibility for Monthly Death Benefits

To be eligible for any type of monthly pre-retirement death benefit, your spouse or domestic partner must have been either married to you or legally registered before the occurrence of the injury or the onset of the illness that resulted in your death for at least one year prior to your death.

### Pre-Retirement Death Benefits Designations

If you name a beneficiary other than your spouse or registered domestic partner, your spouse or registered domestic partner will still receive their community property share. The remainder will be paid to your designated beneficiary(ies). To designate a beneficiary, please obtain a CalPERS Beneficiary Designation Form from your personnel office or from CalPERS On-line. (Note: This designation will be valid only if your death is not job-related. Different rules apply to job-related death benefit eligibility.)

### Inactive CalPERS Members

Beneficiaries of members who were separated from employment more than 120 days for non-health reasons are only eligible for the Limited Death Benefit, which consists of a return of contributions and interest

**Alternate Death Benefit (if applicable)**

This benefit applies to members under age 50 who have 20 or more years of State service credit and who were not either represented by collective bargaining or members of a collective bargaining unit that specifically contracts for the Alternate Death Benefit.

Your eligible spouse or registered domestic partner may receive a monthly allowance equal to the amount you would have received if you had retired under a “service retirement” at age 50 and elected Option 2W. Upon the death of your spouse or registered domestic partner, the benefit will continue to your natural or adopted unmarried children under age 18.

If you are not survived by either an eligible spouse or registered domestic partner, but you are survived by minor children who have never been married, the children will receive an allowance until age 18 equal to one-half of what your highest service retirement allowance would have been had you retired at age 50.

..... or .....

**Basic Death Benefit**

The Basic Death Benefit will be paid if:

- no one is eligible for the Alternate Death Benefit, or
- the person who is eligible for the Alternate Death Benefit chooses instead to receive the Basic Death Benefit, or
- a person other than a spouse or registered domestic partner is designated as a beneficiary to receive all or a portion of your lump-sum death benefit.

***Benefit Payments***

Your beneficiary will receive a lump-sum payment of:

- a refund of your contributions, plus interest; and
- if you have 20 or more years of State service credit, an amount equal to six months’ pay (50 percent of your earnable pay for the 12 months just before your death).

If no one is eligible for the Alternate Death Benefit, or if the Alternate Death Benefit is not applicable, your beneficiary will be determined as follows:

- named beneficiary, or if none;
- spouse or registered domestic partner, or if none;
- your children, or if none;
- parents, or if none;
- brothers and sisters, or if none;
- estate if probated, or if not;
- trust, or if none;
- next of kin, as provided by law.

..... and .....

### 1959 Survivor Benefit

Applicable only for State members not covered under Social Security while in State service. The 1959 Survivor Death Benefit may not be payable if the Special Death Benefit is elected. (See page 17 for more information.)

### Not Job-Related Death, Eligible to Retire

If you pass away at age 50 or over with a minimum of five years of CalPERS-credited service your beneficiary(ies) are eligible for the following benefits.

#### Group Term Life Insurance

This is a tax-free lump-sum benefit of \$5,000. It is payable to the same beneficiary who will receive the Pre-Retirement Optional 2W Death Benefit, the 1957 Survivor Benefit, or the Basic Death Benefit.

..... and .....

#### Pre-Retirement Option 2W Death Benefit

Your eligible spouse or registered domestic partner will receive a monthly allowance equal to the amount you would have received if you had retired under a “service retirement” on the date of your death and elected Option 2W. The benefit is payable to your spouse or domestic partner until death. Upon the death of your spouse or domestic partner, the benefit will continue to your natural or adopted children under age 18 who have never been married.

..... or .....

#### 1957 Survivor Benefit

This benefit is payable if you are not survived by a spouse or registered domestic partner who is eligible for the Pre-Retirement Option 2W Death Benefit, but are survived by natural or adopted unmarried children under age 18. The benefit provides a monthly allowance equal to one-half of what your highest service retirement allowance would have been had you retired on the date of your death.

..... or .....

#### Basic Death Benefit

The Basic Death Benefit will be paid if:

- no one is eligible for either of the monthly allowances above; or
- the person who is eligible for one of the monthly allowances above chooses instead to receive the Basic Death Benefit; or
- a person other than a spouse or registered domestic partner is designated as a beneficiary for all or a portion of your contributions and interest.

*Benefit Payments*

Your beneficiary will receive a lump-sum payment of:

- a refund of your contributions plus interest; and
- six months' pay (50 percent of your earnable pay for the 12 months just before your death).

If no one is eligible for the Pre-retirement Option 2W Death Benefit or the 1957 Survivor Benefit, your beneficiary will be determined as follows:

- named beneficiary, or if none;
- spouse or registered domestic partner, or if none;
- children, or if none;
- parents, or if none;
- brothers and sisters, or if none;
- estate if probated, or if not;
- trust, or if none;
- next of kin, as provided by law.

..... and .....

**1959 Survivor Benefit**

Applicable only for State members not covered under Social Security while in State service. The 1959 Survivor Death Benefit may not be payable if the Special Death Benefit is elected. (See page 17 for more information.)

**Job-Related Death, Not Eligible to Retire**

You must be at least age 50 and have a minimum of five years of CalPERS-credited service to be eligible to retire. If you pass away before you are eligible to retire and your death is determined to be job-related, your beneficiary(ies) are entitled to the following benefits.

**Group Term Life Insurance**

This is a tax-free lump-sum benefit payable to the same beneficiary who will receive the Basic Death Benefit, the Special Death Benefit, or the Alternate Death Benefit, if applicable. For members with less than 20 years of State service, the benefit is \$5,000, plus an amount equal to six months' pay (50 percent of your earnable pay for the 12 months just before your death). For members with 20 or more years of State service, the benefit is equal to \$5,000.

..... and .....

### Special Death Benefit

Your eligible surviving spouse, registered domestic partner, or children or eligible stepchildren may receive a monthly allowance equal to one-half of your final compensation. If the cause of death is some external violence or physical force while on the job, and there are eligible surviving children in addition to your spouse or registered domestic partner, the allowance may be increased to a maximum of 75 percent. The Special Death Benefit is payable to your surviving spouse or registered domestic partner until death, or to your children who have never been married until age 22.

..... or .....

### Alternate Death Benefit (if applicable)

Instead of the Special Death Benefit, your spouse or registered domestic partner may choose to receive the Alternate Death Benefit. This benefit applies to members under age 50 who have 20 or more years of State service credit and who were not either represented by collective bargaining or members of a collective bargaining unit that specifically contracts for the Alternate Death Benefit.

Your eligible spouse or registered domestic partner may receive a monthly allowance equal to the amount you would have received if you had retired under a “service retirement” at age 50 and elected Option 2W. Upon the death of your spouse or registered domestic partner, the benefit will continue to your natural or adopted children under age 18 who have never been married.

If you are not survived by either an eligible spouse or registered domestic partner, but you are survived by minor children who have never been married, the children will receive an allowance equal to one-half of what your highest service retirement allowance would have been had you retired at age 50.

..... or .....

### Basic Death Benefit

The Basic Death Benefit will be paid if:

- no one is eligible for either of the monthly allowances above; or
- the person who is eligible for one of the monthly allowances above chooses instead to receive the Basic Death Benefit.

***Benefit Payments***

Your beneficiary will receive a lump-sum payment of:

- a refund of your contributions, plus interest; and
- if you have 20 or more years of State service credit, an amount equal to six months' pay (50 percent of your earnable pay for the 12 months just before your death).

If no one is eligible for either the Special Death Benefit or the Alternate Death Benefit, your beneficiary for the Basic Death Benefit will be determined as follows:

- named beneficiary, or if none;
- spouse or registered domestic partner, or if none;
- children, or if none;
- parents, or if none;
- brothers and sisters, or if none;
- estate if probated, or if not;
- trust, or if none;
- next of kin, as provided by law.

..... and .....

**1959 Survivor Benefit**

Applicable only for State members not covered under Social Security while employed in State service. The 1959 Survivor Death Benefit may not be payable if the Special Death Benefit is elected. (See page 17 for more information.)

**Job-Related Death, Eligible to Retire**

If you pass away at age 50 or over with a minimum of five years of CalPERS-credited service, and your death is determined to be job-related, your beneficiary(ies) are eligible for the following benefits.

**Group Term Life Insurance**

This is a tax-free lump-sum benefit of \$5,000. It is payable to the same beneficiary who will receive the Special Death Benefit, the Pre-Retirement Option 2W Death Benefit, or the Basic Death Benefit.

..... and .....



**Special Death Benefit**

Your eligible surviving spouse, registered domestic partner, or children or eligible stepchildren may receive a monthly allowance equal to one-half of your final compensation. If the cause of death is some external violence or physical force while on the job, and there are eligible surviving children in addition to your spouse or registered domestic partner, the allowance may be increased to a maximum of 75 percent. The Special Death Benefit is payable to your surviving spouse or registered domestic partner until death, or to your unmarried children until age 22.

..... or .....

**Pre-Retirement Option 2W Death Benefit**

Instead of the Special Death Benefit, your eligible spouse or registered domestic partner may choose to receive a monthly allowance equal to the amount you would have received if you had retired under a “service retirement” on the date of your death and elected Option 2W. The benefit is payable to your spouse or domestic partner until death. Upon the death of your spouse or domestic partner, the benefit will continue to your natural or adopted unmarried children under age 18.

..... or .....

**1957 Survivor Benefit**

This benefit is payable if you are not survived by a spouse or registered domestic partner who is eligible for the Pre-Retirement Option 2W Death Benefit, but are survived by natural or adopted children under age 18 who have never been married. The benefit provides a monthly allowance equal to one-half of what your highest service retirement allowance would have been had you retired on the date of your death.

..... or .....

**Basic Death Benefit**

The Basic Death Benefit will be paid if:

- no one is eligible for any of the monthly allowances above; or
- the person who is eligible for one of the monthly allowances above chooses instead to receive the Basic Death Benefit.

***Benefit Payments***

Your beneficiary will receive a lump-sum payment of:

- a refund of your contributions plus interest; and
- six months' pay (50 percent of your earnable pay for the 12 months just before your death).

If no one is eligible for the Special Death Benefit, the Pre-Retirement Option 2W Death Benefit, or the 1957 Survivor Benefit, your beneficiary will be determined as follows:

- named beneficiary, or if none;
- spouse or registered domestic partner, or if none;
- children, or if none;
- parents, or if none;
- brothers and sisters, or if none;
- estate if probated, or if not;
- trust, or if none;
- next of kin, as provided by law.

..... and .....

**1959 Survivor Benefit**

Applicable only for State members not covered under Social Security while in State service. The 1959 Survivor Death Benefit may not be payable if the Special Death Benefit is elected. (See the next page for more information.)

## 1959 Survivor Benefit Program

The 1959 Survivor Benefit is available to State Safety members who are not covered by federal Social Security while in State service. Covered members are required to pay at least a \$2 monthly fee that is deducted from their salary specifically to fund the 1959 Survivor Benefit Program.

The Program provides a monthly allowance to eligible survivors of members who were covered by this benefit program and died before retirement. The 1959 Survivor Benefit allowance is payable in addition to any other pre-retirement death benefit paid by CalPERS, with the possible exception of the Special Death Benefit. If the 1959 Survivor Benefit is greater than the Special Death Benefit, then the difference is paid as the 1959 Survivor Benefit.

### Eligible Survivors

#### *Spouse*

A surviving spouse is a husband or wife who was legally married to the member at least one year before the member's death or before the occurrence of the injury or onset of the illness that resulted in the member's death. A surviving spouse is entitled to the 1959 Survivor Benefit as long as they have care of an eligible child, **or** are at least age 60. A surviving spouse may remarry and continue to receive their allowance.

#### *Domestic Partner*

To be eligible, a surviving domestic partner must have been in a legally registered domestic partnership with the member at least one year before the member's death or before the occurrence of the injury or onset of the illness that resulted in the member's death. A surviving registered domestic partner is entitled to the 1959 Survivor Benefit as long as they have care of an eligible child, **OR** are at least age 60. A surviving registered domestic partner may register as a domestic partner to someone else and continue to receive the allowance.

### *Children*

A child of the member who has never been married, or a stepchild who has never been married, (if the child was living with the member in a parent-child relationship) is eligible for benefits while under age 22. A child who has never been married, who is incapacitated because of a disability that began before attaining age 22, may be entitled to the benefit until the disability ends. If a child is in the care of a guardian or is living alone, the child's portion of the benefit is payable to the guardian or to the child directly, rather than to the surviving spouse.

### *Parents*

A parent who is at least age 60 may be eligible if there is no surviving spouse, registered domestic partner, or eligible children, and the parent(s) was dependent on the member for at least half of their support at the time of the member's death.

### **1959 Survivor Monthly Allowance Levels**

Eligible survivors may receive one of the following monthly allowances:

- A spouse or registered domestic partner who has care of two or more eligible children; or three eligible children only (split among them) \$1,800\*
- A spouse or registered domestic partner who has care of one eligible child; or two eligible children only (split among them) \$1,500\*
- One eligible child only; or a spouse or registered domestic partner at age 60 or older \$750
- Dependent parents who are at least age 60 may be eligible if there are no other eligible survivors \$750 each

\* Amounts may differ if all children are not in the spouse or registered domestic partner's care.

## ADDITIONAL BENEFITS TO CONSIDER

### Reciprocity — Other California Public Retirement Systems

CalPERS has an agreement with many public retirement systems in California that allows movement from one public employer to another, within a specified time limit, without losing valuable retirement rights and related benefits. This is called “reciprocity.”

There is no transfer of funds or service credit between retirement systems when you establish reciprocity. You become a member of both systems and are subject to the membership and benefit obligations and rights of each system.

For more information, or to establish reciprocity, you should obtain the CalPERS publication *When You Change Retirement Systems*.

#### Reciprocity

between retirement systems does not apply to health vesting requirements.

### Cost-of-Living Adjustment (COLA)

Cost-of-living adjustments are provided by law and are based on the consumer price index for all United States cities. Cost-of-living adjustments are paid the second calendar year of your retirement and then every year thereafter.

The standard cost-of-living adjustment is a maximum of 2 percent per year. If the consumer price index registers a lower rate of inflation, you could receive a lower percentage.

### Inflation Protection (PPPA)

Added protection against inflation is provided by the Purchasing Power Protection Account (PPPA), created to restore your monthly allowance to 75 percent of its original purchasing power.

You will automatically receive PPPA supplemental payments on a monthly basis if your allowance falls below the 75 percent purchasing power level and there are funds in the PPPA account.

## HEALTH INSURANCE IN RETIREMENT

If you are enrolled in a CalPERS health plan when you separate from employment, and you retire within 30 days, your health coverage will automatically continue. If you do **not** want it to continue, you must cancel your coverage.

If you retire more than 30, but within 120 days of separation from employment, your health coverage will not automatically continue. However, you may re-enroll within 60 days of your retirement date or during any Open Enrollment period. Contact CalPERS for more information.

If you are not enrolled in a CalPERS health plan when you separate, you may request enrollment by contacting CalPERS within 60 days of retirement or during any Open Enrollment period.

If your effective date of retirement is more than 120 days after separation from employment, you are not eligible to be enrolled at retirement or at any future date.

If upon retirement you are enrolled in a CalPERS health plan and you are eligible for Social Security Medicare benefits (after age 65), State law prohibits your continued enrollment in the “Basic” plan. You must enroll in a Supplement to Medicare or Managed Medicare plan. Contact CalPERS immediately after receiving your federal Medicare card to determine your eligibility and coordinate the effective date of your Medicare coverage.

### Health Premium Eligibility

Upon retirement, the State may contribute to the cost of your health benefits coverage following your retirement based on the date you were first hired and your years of credited service. The term “first hired” refers to the date you were employed with the State for the first time. Even if the employment did not qualify you for CalPERS membership, or you withdrew your contributions for that period of time, that is still considered your “first hired” date.\*

- **First hired by the State prior to January 1, 1985:** the State will contribute fully toward your health premiums, regardless of your number of years of service.
- **First hired by the State January 1, 1985, through December 31, 1988:** If you have ten or more years of CalPERS service credit, the State will contribute fully toward your health premiums. If you have less than 10 years of CalPERS service credit, the State’s contribution will be prorated based on your years of service.
- **First hired by the State as a represented employee on or after January 1, 1989, or as a nonrepresented employee on or after January 1, 1990:** If you have 20 or more years of State service, the State will contribute fully toward your health premiums. If you have less than 20 years of State service, the State’s contribution will be prorated based on your years of service. (A minimum of ten years of service is required for individuals in this category.)

\* These requirements do not apply to California State University employees.

### If your effective date of retirement ...

is more than 120 days after separation from employment, you are not eligible to be enrolled in a CalPERS health plan at retirement or at any future date.

### Supplement to Medicare

If upon retirement you are eligible for Social Security Medicare benefits (after age 65), State law prohibits your continued enrollment in the “Basic” plan. You must enroll in a Supplement to Medicare or Managed Medicare plan. Contact CalPERS immediately after receiving your federal Medicare card to determine your eligibility and coordinate the effective date of your Medicare coverage.

## ADDITIONAL BENEFITS TO CONSIDER

### Reciprocity — Other California Public Retirement Systems

CalPERS has an agreement with many public retirement systems in California that allows movement from one public employer to another, within a specified time limit, without losing valuable retirement rights and related benefits. This is called “reciprocity.”

There is no transfer of funds or service credit between retirement systems when you establish reciprocity. You become a member of both systems and are subject to the membership and benefit obligations and rights of each system.

For more information, or to establish reciprocity, you should obtain the CalPERS publication *When You Change Retirement Systems*.

#### Reciprocity

between retirement systems does not apply to health vesting requirements.

### Cost-of-Living Adjustment (COLA)

Cost-of-living adjustments are provided by law and are based on the consumer price index for all United States cities. Cost-of-living adjustments are paid the second calendar year of your retirement and then every year thereafter.

The standard cost-of-living adjustment is a maximum of 2 percent per year. If the consumer price index registers a lower rate of inflation, you could receive a lower percentage.

### Inflation Protection (PPPA)

Added protection against inflation is provided by the Purchasing Power Protection Account (PPPA), created to restore your monthly allowance to 75 percent of its original purchasing power.

You will automatically receive PPPA supplemental payments on a monthly basis if your allowance falls below the 75 percent purchasing power level and there are funds in the PPPA account.

## Sick Leave Credit

At retirement, any unused sick leave you have may be converted to additional service credit. (The additional service will not change your age at retirement.)

You will receive credit for all unused sick leave certified by your employer. It takes 250 days of sick leave to receive one year of service credit. For example: if your employer certified 120 days of sick leave, your additional service credit would be 0.480 ( $120 \times .004 = 0.480$ ) of a year's service credit. If the credit is indicated and verified on your retirement application, it is added to the first retirement check. If not, an adjustment is calculated after your retirement date and paid retroactively to you.

To receive sick leave credit, your retirement date must be within 120 days of the date of separation from employment.

## Section 415 of the Internal Revenue Code

Section 415 places a dollar limit on the annual benefit you can receive from a tax-qualified pension plan such as CalPERS.\* Under Section 415, the maximum annual benefit payable if you retire at Social Security "normal retirement age" is \$170,000 for 2005. This dollar limit is adjusted based on several factors including inflation, age at retirement, and after tax contribution. If you have service with more than one CalPERS employer, the dollar limits are applied to the benefits derived from each employer separately. In some cases, you may be considered as retiring at the Social Security normal retirement age, although you may actually be younger.

If at retirement, CalPERS finds that your benefit must be limited under Section 415, CalPERS will enroll you in a replacement benefit program and pay a monthly amount that will, to the extent possible, make up the amount by which your CalPERS benefit is limited.

For more information about the Section 415 limits, contact CalPERS.

\* If you first became a CalPERS member prior to January 1, 1990, your benefit, under certain circumstances, may exceed these limits.



## RETIREMENT FORMULAS AND BENEFIT FACTORS

### Understanding Your Retirement Formula

Your benefit factor is the percentage of pay to which you are entitled for each year of service. It is determined by your age at retirement and the retirement formula that applies to your classification. This guide explains the following State Safety retirement formulas:

$2^{\text{percent}}_{@50}$   $2^{\text{percent}}_{@55}$   $25^{\text{percent}}_{@55}$   $25^{\text{percent}}_{@55}$   $3^{\text{percent}}_{@50}$   $3^{\text{percent}}_{@55}$   
*State Safety* *Peace Officers* *Firefighters*

You can refer to your CalPERS Annual Member Statement to verify your retirement formula. If you have safety service with multiple employers and under different safety formulas, there could be more than one maximum benefit cap applied to your retirement allowance. You should contact CalPERS for more information.

Starting on the following page, we have provided two charts for each of the State Safety retirement formulas. The first chart shows the benefit factor increases for each quarter year of age from 50 to 55, as well as showing the required years of service to reach your maximum percentage allowed by law. The second chart shows the percentage of final compensation you will receive.



## BENEFIT FACTORS

The chart below shows how the benefit factor increases for each quarter year of age from 50 to 55, as well as showing the required years of service to reach your maximum percentage allowed by law.

Age at Retirement	Benefit Factor	Years Needed to Attain 90%
50	2.000%	45.000
50 ¼	2.035%	44.226
50 ½	2.070%	43.479
50 ¾	2.105%	42.756
51	2.140%	42.056
51 ¼	2.175%	41.380
51 ½	2.210%	40.724
51 ¾	2.245%	40.089
52	2.280%	39.474
52 ¼	2.315%	38.877
52 ½	2.350%	38.298
52 ¾	2.385%	37.736
53	2.420%	37.190
53 ¼	2.455%	36.660
53 ½	2.490%	36.145
53 ¾	2.525%	35.644
54	2.560%	35.156
54 ¼	2.595%	34.682
54 ½	2.630%	34.221
54 ¾	2.665%	33.772
55 or older	2.700%	33.334

# PERCENTAGE OF FINAL COMPENSATION



Age	50	51	52	53	54	55+
Benefit Factor	2.000	2.140	2.280	2.420	2.560	2.700
Years of Service	Percentage of Final Compensation					
5	10.00	10.70	11.40	12.10	12.80	13.50
6	12.00	12.84	13.68	14.52	15.36	16.20
7	14.00	14.98	15.96	16.94	17.92	18.90
8	16.00	17.12	18.24	19.36	20.48	21.60
9	18.00	19.26	20.52	21.78	23.04	24.30
10	20.00	21.40	22.80	24.20	25.60	27.00
11	22.00	23.54	25.08	26.62	28.16	29.70
12	24.00	25.68	27.36	29.04	30.72	32.40
13	26.00	27.82	29.64	31.46	33.28	35.10
14	28.00	29.96	31.92	33.88	35.84	37.80
15	30.00	32.10	34.20	36.30	38.40	40.50
16	32.00	34.24	36.48	38.72	40.96	43.20
17	34.00	36.38	38.76	41.14	43.52	45.90
18	36.00	38.52	41.04	43.56	46.08	48.60
19	38.00	40.66	43.32	45.98	48.64	51.30
20	40.00	42.80	45.60	48.40	51.20	54.00
21	42.00	44.94	47.88	50.82	53.76	56.70
22	44.00	47.08	50.16	53.24	56.32	59.40
23	46.00	49.22	52.44	55.66	58.88	62.10
24	48.00	51.36	54.72	58.08	61.44	64.80
25	50.00	53.50	57.00	60.50	64.00	67.50
26	52.00	55.64	59.28	62.92	66.56	70.20
27	54.00	57.78	61.56	65.34	69.12	72.90
28	56.00	59.92	63.84	67.76	71.68	75.60
29	58.00	62.06	66.12	70.18	74.24	78.30
30	60.00	64.20	68.40	72.60	76.80	81.00
31	62.00	66.34	70.68	75.02	79.36	83.70
32	64.00	68.48	72.96	77.44	81.92	86.40
33	—	70.62	75.24	79.86	84.48	89.10
34	—	—	77.52	82.28	87.04	90.00 max
35	—	—	—	84.70	89.60	90.00 max
36	—	—	—	—	90.00 max	90.00 max



### BENEFIT FACTORS

The chart below shows how the benefit factor increases for each quarter year of age from 50 to 55, as well as showing the required years of service to reach your maximum percentage allowed by law.

Age at Retirement	Benefit Factor	Years Needed to Attain 80%
50	1.426%	56.101
50 ¼	1.450%	55.172
50 ½	1.474%	54.274
50 ¾	1.498%	53.405
51	1.522%	52.562
51 ¼	1.550%	51.613
51 ½	1.576%	50.761
51 ¾	1.602%	49.938
52	1.628%	49.140
52 ¼	1.656%	48.309
52 ½	1.686%	47.450
52 ¾	1.714%	46.674
53	1.742%	45.924
53 ¼	1.772%	45.147
53 ½	1.804%	44.346
53 ¾	1.834%	43.621
54	1.866%	42.872
54 ¼	1.900%	42.105
54 ½	1.932%	41.408
54 ¾	1.966%	40.692
55 or older	2.000%	40.000

# PERCENTAGE OF FINAL COMPENSATION



Age	50	51	52	53	54	55+
Benefit Factor	1.426	1.522	1.628	1.742	1.866	2.000
Years of Service	Percentage of Final Compensation					
5	7.13	7.61	8.14	8.71	9.33	10.00
6	8.56	9.13	9.77	10.45	11.20	12.00
7	9.98	10.65	11.40	12.19	13.06	14.00
8	11.41	12.18	13.02	13.94	14.93	16.00
9	12.83	13.70	14.65	15.68	16.79	18.00
10	14.26	15.22	16.28	17.42	18.66	20.00
11	15.69	16.74	17.91	19.16	20.53	22.00
12	17.11	18.26	19.54	20.90	22.39	24.00
13	18.54	19.79	21.16	22.65	24.26	26.00
14	19.96	21.31	22.79	24.39	26.12	28.00
15	21.39	22.83	24.42	26.13	27.99	30.00
16	22.82	24.35	26.05	27.87	29.86	32.00
17	24.24	25.87	27.68	29.61	31.72	34.00
18	25.67	27.40	29.30	31.36	33.59	36.00
19	27.09	28.92	30.93	33.10	35.45	38.00
20	28.52	30.44	32.56	34.84	37.32	40.00
21	29.95	31.96	34.19	36.58	39.19	42.00
22	31.37	33.48	35.82	38.32	41.05	44.00
23	32.80	35.01	37.44	40.07	42.92	46.00
24	34.22	36.53	39.07	41.81	44.78	48.00
25	35.65	38.05	40.70	43.55	46.65	50.00
26	37.08	39.57	42.33	45.29	48.52	52.00
27	38.50	41.09	43.96	47.03	50.38	54.00
28	39.93	42.62	45.58	48.78	52.25	56.00
29	41.35	44.14	47.21	50.52	54.11	58.00
30	42.78	45.66	48.84	52.26	55.98	60.00
31	44.21	47.18	50.47	54.00	57.85	62.00
32	45.63	48.70	52.10	55.741	59.71	64.00
33	—	50.23	53.72	57.49	61.58	66.00
34	—	—	55.35	59.23	63.44	68.00
35	—	—	—	60.97	65.31	70.00
36	—	—	—	—	67.18	72.00
37	—	—	—	—	—	74.00
38	—	—	—	—	—	76.00
39	—	—	—	—	—	78.00
40	—	—	—	—	—	80.00 max



## BENEFIT FACTORS

The chart below shows how the benefit factor increases for each quarter year of age from 50 to 55, as well as showing the required years of service to reach your maximum percentage allowed by law.

Age at Retirement	Benefit Factor	Years Needed to Attain 80%
50	1.700%	47.059
50 ¼	1.725%	46.377
50 ½	1.750%	45.714
50 ¾	1.775%	45.070
51	1.800%	44.444
51 ¼	1.825%	43.836
51 ½	1.850%	43.243
51 ¾	1.875%	42.667
52	1.900%	42.105
52 ¼	1.925%	41.558
52 ½	1.950%	41.026
52 ¾	1.975%	40.506
53	2.000%	40.000
53 ¼	2.064%	38.760
53 ½	2.126%	37.630
53 ¾	2.188%	36.563
54	2.250%	35.556
54 ¼	2.314%	34.572
54 ½	2.376%	33.670
54 ¾	2.438%	32.814
55 or older	2.500%	32.000

# PERCENTAGE OF FINAL COMPENSATION

Age	50	51	52	53	54	55+
Benefit Factor	1.700	1.800	1.900	2.000	2.250	2.500
Years of Service	Percentage of Final Compensation					
5	8.50	9.00	9.50	10.00	11.25	12.50
6	10.20	10.80	11.40	12.00	13.50	15.00
7	11.90	12.60	13.30	14.00	15.75	17.50
8	13.60	14.40	15.20	16.00	18.00	20.00
9	15.30	16.20	17.10	18.00	20.25	22.50
10	17.00	18.00	19.00	20.00	22.50	25.00
11	18.70	19.80	20.90	22.00	24.75	27.50
12	20.40	21.60	22.80	24.00	27.00	30.00
13	22.10	23.40	24.70	26.00	29.25	32.50
14	23.80	25.20	26.60	28.00	31.50	35.00
15	25.50	27.00	28.50	30.00	33.75	37.50
16	27.20	28.80	30.40	32.00	36.00	40.00
17	28.90	30.60	32.30	34.00	38.25	42.50
18	30.60	32.40	34.20	36.00	40.50	45.00
19	32.30	34.20	36.10	38.00	42.75	47.50
20	34.00	36.00	38.00	40.00	45.00	50.00
21	35.70	37.80	39.90	42.00	47.25	52.50
22	37.40	39.60	41.80	44.00	49.50	55.00
23	39.10	41.40	43.70	46.00	51.75	57.50
24	40.80	43.20	45.60	48.00	54.00	60.00
25	42.50	45.00	47.50	50.00	56.25	62.50
26	44.20	46.80	49.40	52.00	58.50	65.00
27	45.90	48.60	51.30	54.00	60.75	67.50
28	47.60	50.40	53.20	56.00	63.00	70.00
29	49.30	52.20	55.10	58.00	65.25	72.50
30	51.00	54.00	57.00	60.00	67.50	75.00
31	52.70	55.80	58.90	62.00	69.75	77.50
32	54.40	57.60	60.80	64.00	72.00	80.00 max
33	—	59.40	62.70	66.00	74.25	80.00 max
34	—	—	64.60	68.00	76.50	80.00 max
35	—	—	—	70.00	78.75	80.00 max
36	—	—	—	—	80.00 max	80.00 max



## BENEFIT FACTORS

The chart below shows how the benefit factor increases for each quarter year of age from 50 to 55, as well as showing the required years of service to reach your maximum percentage allowed by law.

Age at Retirement	Benefit Factor	Years Needed to Attain 90%
50	2.000%	45.000
50 ¼	2.025%	44.444
50 ½	2.050%	43.902
50 ¾	2.075%	43.373
51	2.100%	42.857
51 ¼	2.125%	42.353
51 ½	2.150%	41.860
51 ¾	2.175%	41.379
52	2.200%	40.909
52 ¼	2.225%	40.449
52 ½	2.250%	40.000
52 ¾	2.275%	39.560
53	2.300%	39.130
53 ¼	2.325%	38.710
53 ½	2.350%	38.298
53 ¾	2.375%	37.895
54	2.400%	37.500
54 ¼	2.425%	37.113
54 ½	2.450%	36.735
54 ¾	2.475%	36.364
55 or older	2.500%	36.000



# PERCENTAGE OF FINAL COMPENSATION

Age	50	51	52	53	54	55+
Benefit Factor	2.000	2.100	2.200	2.300	2.400	2.500
Years of Service	Percentage of Final Compensation					
5	10.00	10.50	11.00	11.50	12.00	12.50
6	12.00	12.60	13.20	13.80	14.40	15.00
7	14.00	14.70	15.40	16.10	16.80	17.50
8	16.00	16.80	17.60	18.40	19.20	20.00
9	18.00	18.90	19.80	20.70	21.60	22.50
10	20.00	21.00	22.00	23.00	24.00	25.00
11	22.00	23.10	24.20	25.30	26.40	27.50
12	24.00	25.20	26.40	27.60	28.80	30.00
13	26.00	27.30	28.60	29.90	31.20	32.50
14	28.00	29.40	30.80	32.20	33.60	35.00
15	30.00	31.50	33.00	34.50	36.00	37.50
16	32.00	33.60	35.20	36.80	38.40	40.00
17	34.00	35.70	37.40	39.10	40.80	42.50
18	36.00	37.80	39.60	41.40	43.20	45.00
19	38.00	39.90	41.80	43.70	45.60	47.50
20	40.00	42.00	44.00	46.00	48.00	50.00
21	42.00	44.10	46.20	48.30	50.40	52.50
22	44.00	46.20	48.40	50.60	52.80	55.00
23	46.00	48.30	50.60	52.90	55.20	57.50
24	48.00	50.40	52.80	55.20	57.60	60.00
25	50.00	52.50	55.00	57.50	60.00	62.50
26	52.00	54.60	57.20	59.80	62.40	65.00
27	54.00	56.70	59.40	62.10	64.80	67.50
28	56.00	58.80	61.60	64.40	67.20	70.00
29	58.00	60.90	63.80	66.70	69.90	72.50
30	60.00	63.00	66.00	69.00	72.00	75.00
31	62.00	65.10	68.20	71.30	74.40	77.50
32	64.00	67.20	70.40	73.60	76.80	80.00
33	66.00	69.30	72.60	75.90	79.20	82.50
34	68.00	71.40	74.80	78.20	81.30	85.00
35	70.00	73.50	77.00	80.50	84.00	87.50
36	72.00	75.60	79.20	82.80	86.40	90.00 max
37	74.00	77.70	81.40	85.10	88.80	90.00 max



## BENEFIT FACTORS

The chart below shows how the benefit factor increases for each quarter year of age from 50 to 55, as well as showing the required years of service to reach your maximum percentage allowed by law.

Age at Retirement	Benefit Factor	Years Needed to Attain 90%
50	3.000%	30.000
50 ¼	3.000%	30.000
50 ½	3.000%	30.000
50 ¾	3.000%	30.000
51	3.000%	30.000
51 ¼	3.000%	30.000
51 ½	3.000%	30.000
51 ¾	3.000%	30.000
52	3.000%	30.000
52 ¼	3.000%	30.000
52 ½	3.000%	30.000
52 ¾	3.000%	30.000
53	3.000%	30.000
53 ¼	3.000%	30.000
53 ½	3.000%	30.000
53 ¾	3.000%	30.000
54	3.000%	30.000
54 ¼	3.000%	30.000
54 ½	3.000%	30.000
54 ¾	3.000%	30.000
55 or older	3.000%	30.000

# PERCENTAGE OF FINAL COMPENSATION



Age	50	51	52	53	54	55+
Benefit Factor	3.000	3.000	3.000	3.000	3.000	3.000
Years of Service	Percentage of Final Compensation					
5	15.00	15.00	15.00	15.00	15.00	15.00
6	18.00	18.00	18.00	18.00	18.00	18.00
7	21.00	21.00	21.00	21.00	21.00	21.00
8	24.00	24.00	24.00	24.00	24.00	24.00
9	27.00	27.00	27.00	27.00	27.00	27.00
10	30.00	30.00	30.00	30.00	30.00	30.00
11	33.00	33.00	33.00	33.00	33.00	33.00
12	36.00	36.00	36.00	36.00	36.00	36.00
13	39.00	39.00	39.00	39.00	39.00	39.00
14	42.00	42.00	42.00	42.00	42.00	42.00
15	45.00	45.00	45.00	45.00	45.00	45.00
16	48.00	48.00	48.00	48.00	48.00	48.00
17	51.00	51.00	51.00	51.00	51.00	51.00
18	54.00	54.00	54.00	54.00	54.00	54.00
19	57.00	57.00	57.00	57.00	57.00	57.00
20	60.00	60.00	60.00	60.00	60.00	60.00
21	63.00	63.00	63.00	63.00	63.00	63.00
22	66.00	66.00	66.00	66.00	66.00	66.00
23	69.00	69.00	69.00	69.00	69.00	69.00
24	72.00	72.00	72.00	72.00	72.00	72.00
25	75.00	75.00	75.00	75.00	75.00	75.00
26	78.00	78.00	78.00	78.00	78.00	78.00
27	81.00	81.00	81.00	81.00	81.00	81.00
28	84.00	84.00	84.00	84.00	84.00	84.00
29	87.00	87.00	87.00	87.00	87.00	87.00
30	90.00 max	90.00 max	90.00 max	90.00 max	90.00 max	90.00 max



## BENEFIT FACTORS

The chart below shows how the benefit factor increases for each quarter year of age from 50 to 55, as well as showing the required years of service to reach your maximum percentage allowed by law.

Age at Retirement	Benefit Factor	Years Needed to Attain 90%
50	2.400%	37.500
50 ¼	2.430%	37.037
50 ½	2.460%	36.586
50 ¾	2.490%	36.145
51	2.520%	35.715
51 ¼	2.550%	35.295
51 ½	2.580%	34.884
51 ¾	2.610%	34.483
52	2.640%	34.091
52 ¼	2.670%	33.708
52 ½	2.700%	33.334
52 ¾	2.730%	32.967
53	2.760%	32.609
53 ¼	2.790%	32.258
53 ½	2.820%	31.915
53 ¾	2.850%	31.579
54	2.880%	31.250
54 ¼	2.910%	30.928
54 ½	2.940%	30.613
54 ¾	2.970%	30.303
55 or older	3.000%	30.000

# PERCENTAGE OF FINAL COMPENSATION



Age	50	51	52	53	54	55+
Benefit Factor	2.400	2.520	2.640	2.760	2.880	3.000
Years of Service	Percentage of Final Compensation					
5	12.00	12.60	13.20	13.80	14.40	15.00
6	14.40	15.12	15.84	16.56	17.28	18.00
7	16.80	17.64	18.48	19.32	20.16	21.00
8	19.20	20.16	21.12	22.08	23.04	24.00
9	21.60	22.68	23.76	24.84	25.92	27.00
10	24.00	25.20	26.40	27.60	28.80	30.00
11	26.40	27.72	29.04	30.36	31.68	33.00
12	28.80	30.24	31.68	33.12	34.56	36.00
13	31.20	32.76	34.32	35.88	37.44	39.00
14	33.60	35.28	36.96	38.64	40.32	42.00
15	36.00	37.80	39.60	41.40	43.20	45.00
16	38.40	40.32	42.24	44.16	46.08	48.00
17	40.80	42.84	44.88	46.92	48.96	51.00
18	43.20	45.36	47.52	49.68	51.84	54.00
19	45.60	47.88	50.16	52.44	54.72	57.00
20	48.00	50.40	52.80	55.20	57.60	60.00
21	50.40	52.92	55.44	57.96	60.48	63.00
22	52.80	55.44	58.08	60.72	63.36	66.00
23	55.20	57.96	60.72	63.48	66.24	69.00
24	57.60	60.48	63.36	66.24	69.12	72.00
25	60.00	63.00	66.00	69.00	72.00	75.00
26	62.40	65.52	68.64	71.76	74.88	78.00
27	64.80	68.04	71.28	74.52	77.76	81.00
28	67.20	70.56	73.92	77.28	80.64	84.00
29	69.60	73.08	76.56	80.04	83.52	87.00
30	72.00	75.60	79.20	82.80	86.40	90.00 max
31	74.40	78.12	81.84	85.56	89.28	90.00 max
32	76.80	80.64	84.48	88.32	90.00 max	90.00 max
33	—	83.16	87.12	90.00 max	90.00 max	90.00 max
34	—	—	89.76	90.00 max	90.00 max	90.00 max
35	—	—	—	90.00 max	90.00 max	90.00 max

## BECOME A MORE INFORMED MEMBER

CalPERS has a variety of ways you can learn about your benefits and how to plan for your financial future. Take advantage of these free opportunities:

### Online Information: [www.calpers.ca.gov](http://www.calpers.ca.gov)

- Forms & Publications Center (order or download forms and publications referenced in this guide)
- Learn More About Your Retirement Benefits
- Guide To Understanding Your Annual Member Statement

### Online Services

- View Your Annual Member Statement
- Retirement Planning Calculator — Do your own pension allowance estimate
- Register for a Retirement Planning Workshop, Seminar or Event
- Change Your Address
- Service Credit Cost Estimator — Estimate the cost of additional service credit
- Request an Official Retirement Estimate

## Seminars and Workshops

### Financial Planning Seminars

- Learn about your CalPERS benefits and the importance of financial planning (free all day classes)

### Retirement Planning Workshops

- A quick lesson on your CalPERS benefits (free 2 to 2.5-hour class)

### How to Register

- Register online by using our Seminar and Workshop registration service
- Call CalPERS
- Print out registration forms from our Web site and FAX to CalPERS

## Reaching Us by Phone

Contact CalPERS toll free at (888) 225-7377

Hours: Monday-Friday, 8:00 a.m. to 5:00 p.m.

Telecommunication devices for the deaf: (916) 795-3240

## Visit Your Nearest CalPERS Regional Office

Visit the CalPERS Web site for directions to your local office.

Regional Office Hours: Monday-Friday, 8:00 a.m. to 5:00 p.m.

### **Sacramento Regional Office\***

2750 Gateway Oaks Drive, Room 140

P.O. Box 942710

Sacramento, CA 95833

### **San Francisco Regional Office**

301 Howard Street, Suite 2020

San Francisco, CA 94105

### **Glendale Regional Office**

Glendale Plaza

655 North Central Avenue, Suite 1400

Glendale, CA 91203

### **San Bernardino Regional Office**

650 East Hospitality Lane, Suite 330

San Bernardino, CA 92408

### **San Diego Regional Office**

7676 Hazard Center Drive, Suite 350

San Diego, CA 92108

### **San Jose Regional Office**

181 Metro Drive, Suite 520

San Jose, CA 95110

### **Orange Regional Office**

500 North State College Boulevard, Suite 750

Orange, CA 92868

### **Fresno Regional Office**

10 River Park Place East, Suite 230

Fresno, CA 93720

**\* Sacramento Regional Office will be moving late 2005**

to the new CalPERS  
Headquarters building  
at 400 Q Street  
Sacramento, CA 95814

## GLOSSARY

This glossary can assist you in understanding some of the words and phrases you may encounter when dealing with CalPERS.

### **Benefit Factor**

The percentage of pay you are entitled to for each year of CalPERS-covered service, and is determined by your age at retirement and your retirement formula.

### **Beneficiary**

A person designated by the member to receive a benefit after the death of a member or other benefit recipient. (Also, see survivor, which has a different definition. Your beneficiary and survivor may or may not be the same person.)

### **COBRA**

The Consolidated Omnibus Budget Reconciliation Act is federal legislation that allows you or a family member to continue your health plan enrollment when coverage is lost. A loss of coverage could include separation from employment, marriage of a dependent, a dependent reaching age 23, or divorce or legal separation.

### **Dependent**

Those family members who meet the specific eligibility criteria for coverage in the CalPERS Health Program.

### **Domestic Partner**

Effective January 1, 2005, registered domestic partners legally recognized by California law will be qualified for benefits and rights that apply to a spouse, as permitted by Assembly Bill 205 (Statutes 2003, Chapter 421).

### **Disability**

An inability to substantially perform the duties of your job due to illness or injury, which is determined to be permanent or of an extended and uncertain duration.

### **Final Compensation**

Your average full-time monthly **pay rate** and **special compensation** for the last consecutive 12 months of employment. We use your full-time pay rate, not your earnings, so if you work part-time, we would use your full-time equivalent pay rate to determine your final compensation. If you think there was another period of 12 **consecutive months** during which your **final compensation** was higher, let us know when you apply for retirement. We will use that time period to determine your final compensation.



**Fiscal Year**

CalPERS operates on a fiscal year calendar, which is July 1 to June 30 each year.

**Health Insurance Portability & Accountability Act (HIPAA)**

This federal law protects health insurance coverage for workers and their families when they change or lose their jobs. It also includes provisions providing national standards to protect the privacy of personal health information.

**Member**

An employee who qualifies for membership in CalPERS and whose employer has become obligated to pay contributions into the Retirement Fund. Also describes CalPERS retirees, survivors, beneficiary(ies), or anyone receiving a benefit.

**Open Enrollment Period**

A period of time determined by the CalPERS Board when you can enroll or change health plans, or add eligible family members who are not currently enrolled in the CalPERS Health Program.

**Reciprocal Agreement**

An agreement between two public retirement systems on coordination of benefits.

**Service Credit**

Your credited years of employment with a CalPERS employer. This amount of service is credited to your CalPERS account and used in the formula to determine your retirement benefits.

**Special Compensation**

Additional income you might receive for uniform allowance, holiday pay, longevity pay, etc., and is reported separately from your base pay.

**Supplement to Original Medicare Plan**

For CalPERS members in Social Security and over age 65, Medicare becomes the primary payer of claims and the supplemental CalPERS health plan covers any costs not paid by Medicare if you have CalPERS health benefits coverage in retirement (Covered under PEMHCA).

**Survivor**

A family member defined by law as eligible to receive specific benefits upon a member's death.







**California Public Employees' Retirement System**

Member Services Division

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Sacramento, California 95814-1652

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